

United States Department of the Interior Bureau of Land Management

Finding of No Significant Impacts Environmental Assessments DOI-BLM-UT-C010-2015-0009-EA (Cedar City Field Office) DOI-BLM-UT-C020-2014-036-EA (Richfield Field Office)

July 2015

May 2015 Oil and Gas Lease Sale

Location: Color Country District
Cedar City Field Office
Richfield Field Office

Applicant/Address: U.S. Department of the Interior
Bureau of Land Management
Utah State Office
440 West 200 South, Suite 500
Salt Lake City, Utah 84101

Utah State Office
440 West 200 South, Suite 500
Salt Lake City, Utah 84101
Office (801) 539-4001
FAX (801) 539-4237



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INTRODUCTION

In accordance with the Mineral Leasing Act of 1920 (“MLA”), as amended, 30 U.S.C. §§ 181 *et seq.*, the Bureau of Land Management (“BLM”) Utah holds quarterly competitive oil and gas lease sales in order to respond to public requests for “nominated” public lands to be made available for oil and gas leasing. *See* 30 U.S.C. § 226(b)(1)(A); *See also* 43 C.F.R. § 3120.1-1. However, before public lands are offered for oil and gas leasing at a competitive lease sale, the BLM Utah considers the potential consequences of issuing oil and gas leases for any such lands through a “lease parcel review process.”

The BLM Utah has engaged in a lease parcel review process for the specific purpose of considering the potential consequences of issuing oil and gas leases for certain public lands that member of the public nominated to be made available for oil and gas leasing at the competitive lease sale auction that was held on May 19, 2015 (“May 2015 Lease Sale”). This lease parcel review process, which was conducted in accordance with guidance provided by BLM Washington Office (“WO”) Instruction Memorandum (“IM”) No. 2010-117, *Oil and Gas Leasing Reform – Land Use Planning and Lease Parcel Reviews*, and BLM Utah IM No. 2014-006, *Oil and Gas Leasing Program NEPA Procedures Pursuant to Leasing Reform*, included the preparation of two environmental assessments (“EAs”). These EAs consisted of an EA, DOI-BLM-UT-C010-2015-0009-EA, prepared by the Cedar City Field Office (“Cedar City FO”) and an EA, DOI-BLM-UT-C020-2014-036-EA, prepared by the BLM’s Richfield Field Office (“Richfield FO”).

The EAs prepared for the May 2015 Lease Sale both considered the following two alternatives in detail: Alternative A – Proposed Action (“Proposed Action”) and Alternative B – No Action (“No Action”). Under the Proposed Action alternatives in both EAs certain public lands would be offered for oil and gas leasing at the May 2015 Lease Sale. Under the No Action alternatives for both EAs, no federal lands would be offered for oil and gas leasing during the May 2015 Lease Sale. The No Action alternatives were considered in order to provide a baseline to compare to the Proposed Action alternatives.

Other action alternatives were considered, but ultimately not brought forward for detailed analysis in the EAs because the issues identified during scoping (both internal and external) did not indicate a need for additional alternatives or mitigating measures beyond those included and considered through the Proposed Action and No Action alternatives.

In reviewing the nominations, which are also known as “expressions of interest” (“EOIs”), that members of the public submitted for the May 2015 Lease Sale, the BLM Utah considered oil and gas leasing on approximately 45,158 acres of land under the jurisdictions of the BLM’s Cedar City and Richfield FOs. However, during the lease parcel review process, it was determined that approximately 30,106 acres of the nominated lands should either be removed from consideration for oil and gas leasing or “deferred” from offering for lease at the May 2015 Lease Sale.

Nominated lands were removed from leasing consideration if it was determined that the lands would be unavailable to offer for lease at the May 2015 Lease Sale. More specifically, the nominated lands determined to be unavailable for oil and gas leasing included lands that were already under an existing oil and gas lease, lands within the Grand Staircase-Escalante National Monument, which has been closed to new oil and gas leasing, and “split-estate” lands (non-federal surface/federal minerals) where the nominator of those lands failed to provide contact information for the non-federal surface owners for the lands.

Nominated lands were deferred from being offered for lease at the May 2015 Lease Sale for various reasons. These reasons included the deferral of nominated lands for which it was determined during the lease parcel review process that additional time beyond the May 2015 Lease Sale would be needed in order to adequately analyze and consider the potential impacts that oil and gas leasing might have on greater sage-grouse, cultural resources and private residences within the towns of Fairview and Spring City, Utah, which are located in close proximity to certain nominated lands. Additional information regarding the nominated lands that were deferred from offering for lease at the May 2015 Lease Sale is documented in the Appendices D of the EAs and on the “Deferred Lands List” maintained on the BLM Utah oil and gas lease sale website.¹

In addition to the BLM’s internal review and analyses, the lease parcel review process conducted for the May 2015 Lease Sale also included multiple opportunities for public review and involvement.

The first opportunity for public participation during the lease parcel review process for the May 2015 Lease Sale occurred from December 19, 2014, to January 23, 2015, when initial drafts of the EAs were posted for a 30 day public review and comment period. Following that public review and comment period, the BLM considered the public comments that were received, along with other information that had been obtained from both external and internal sources, and made revisions to the EAs, as determined appropriate. In revising the EAs, the BLM noted the substantive public comments that were received on the initial drafts of the EAs, as well as the BLM’s responses to those comments, in Appendices E of the revised EAs.

On February 13, 2015, the BLM posted the revised version of the EAs, along with a Notice of Competitive Oil and Gas Lease Sale (“the NCLS”).² The NCLS and revised EAs identified thirteen (13) parcels, encompassing approximately 15,052 acres of land within the Cedar City and Richfield FOs, that the BLM proposed to offer for oil and gas leasing during the May 2015 Lease Sale. The NCLS and revised EAs also identified protective stipulations and lease notices that the BLM intended to attach to each of the lease parcels proposed for offering at the May 2015 Lease Sale.

The posting of the NCLS and revised EAs initiated a 30 day public protest period for the May 2015 Lease Sale which concluded on March 16, 2015. During that protest period,

¹ The BLM Utah oil and gas lease sale website can be accessed online at: http://www.blm.gov/ut/st/en/prog/energy/oil_and_gas/oil_and_gas_lease.html.

The Deferred Lands List can be accessed online directly at:

http://www.blm.gov/style/medialib/blm/ut/lands_and_minerals/oil_and_gas/miscellaneous_oil0.Par.47285.File.dat/Deferred%20Land%20Master%20List.pdf.

² Copies of the revised EAs and NCLS may be obtained by request to the BLM Utah State Office (using the contact information provided on the cover-page of this document) or by accessing the BLM Utah oil and gas lease sale website.

the BLM received one letter protesting the May 2015 Lease Sale.³ That protest letter, which was submitted by WildEarth Guardians, protested all of the parcels that the NCLS proposed to offer for lease during the May 2015 Lease Sale.

On July 30, 2015, the BLM issued two decisions (“the Protest Responses”) that collectively addressed and responded to all of the substantive assertions contained within the protest letter submitted by WildEarth Guardians for the May 2015 Lease Sale.⁴ More specifically, the Protest Responses collectively dismissed the protest letter submitted by WildEarth Guardians, in its entirety. As a result, none of the parcels offered for oil and gas leasing at the May 2015 Lease Sale are subject to an unresolved protest.

On May 11 and May 12, 2015, the BLM issued errata sheets that modified the oil and gas leasing proposal for the May 2015 Lease Sale depicted in the NCLS. The errata sheet issued on May 11, 2015, stated that recent changes to the permissible methods for making payments to the BLM, as provided for in Information Bulletin No. OC-2015-019, would be applicable to the May 2015 Lease Sale. The errata sheet issued on May 12, 2015, modified the leasing proposal provided for in the NCLS by changing the acreage for parcel UTU91058 (UT0515 – 005) and by attaching additional lease notices to several of the lease parcels.⁵

On May 19, 2015, 13 lease parcels, encompassing approximately 15,051 acres of land within the Cedar City and Richfield FOs, were offered for oil and gas leasing during the competitive oral auction conducted for the May 2015 Lease Sale. Of the aforementioned 13 parcels offered for lease during the May 2015 Lease Sale, ten (10) parcels, encompassing approximately 13,131 acres, were bid upon. The parcels that were not bid upon at the May 2015 Lease Sale became available for noncompetitive leasing for a two-year period that commenced on May 20, 2015.

This Finding of No Significant Impacts (“FONSI”) addresses oil and gas leasing, as provided for by the NCLS and the Proposed Action alternatives in the EAs, and as modified by the errata sheets issued on May 11 and May 12, 2015, for the following 13 lease parcels (“the lease parcels”), which were offered for lease at the May 2015 Lease Sale:

Cedar City FO parcels (DOI-BLM-UT-C010-2015-0009-EA)

UTU91061 (UT0515-012), UTU91062 (UT0515-013), UTU91063 (UT0515-019), and UTU91064 (UT0515-020)

Richfield FO parcels (DOI-BLM-UT-C020-2014-036-EA)

UTU91055 (UT0515-001), UTU91056 (UT0515-002), UTU91057 (UT0515-003), UTU91058 (UT0515-005), UTU91059 (UT0515-006), UTU91060 (UT0515-007), UTU91065 (UT0515-026), UTU91066 (UT0515-027) and UTU91067 (UT0515-028).

³ Copies of the protest letter submitted by WildEarth Guardians may be obtained by request to the BLM Utah State Office or by accessing the BLM Utah oil and gas lease sale website.

⁴ Copies of the Protest Responses may be obtained by request to the BLM Utah State Office or by accessing the BLM Utah oil and gas lease sale website.

⁵ Copies of the errata sheets issued on May 11 and May 12, 2015, may be obtained by request to the BLM Utah State Office or by accessing the BLM Utah oil and gas lease sale website.

FINDING OF NO SIGNIFICANT IMPACTS DETERMINATION

Based upon a review of the EAs, and considering the criteria for significance provided by 40 C.F.R. § 1508.27, I have determined that issuing oil and gas leases for the lease parcels in accordance with the Proposed Action alternatives and the NCLS, as modified by the aforementioned errata sheets (hereafter “May 2015 Lease Sale Project”), does not constitute a major federal action and it will not have a significant effect on the quality of the human environment, individually or cumulatively with other actions in the general project area.⁶ The May 2015 Lease Sale Project is also not anticipated to result in any significant impacts to the quality of the human environment that would be beyond the impacts already considered by the following Records of Decision and Approved Resource Management Plans (collectively “ROD/RMPs”): the Cedar Beaver Garfield Antimony ROD/RMP (BLM, 1986, as amended and maintained) (for the Cedar City FO lease parcels) and the Richfield FO ROD/RMP (BLM, 2008, as maintained) (for the Richfield FO lease parcels) and the Proposed RMPs, Final Environmental Impact Statements (“FEISs”) and other environmental analysis documents upon which the ROD/RMPs rely (together “the ROD/RMPs/FEISs”). Moreover, the environmental analyses discussed in the EAs indicates that adequate protections are included with the lease parcels in order to protect public health and safety and assure full compliance with the objectives of the National Environmental Policy Act (“NEPA”), 42 U.S.C. §§ 4321 *et seq.*, the CEQ regulations implementing NEPA, and other federal laws and regulations intended for the protection of the environment. Therefore, neither an environmental impact statement (“EIS”) nor a supplement to the ROD/RMPs/FEISs is required for the May 2015 Lease Sale Project. The aforementioned determinations are based upon the context and intensity of the May 2015 Lease Sale Project, as described below:

Context: The May 2015 Lease Sale Project involves 13 lease parcels that collectively encompass approximately 15,051 acres of BLM administered federal lands within the Cedar City and Richfield FOs that by themselves do not have international, national, regional, or state-wide importance.

Intensity: The discussion of intensity that follows is organized in accordance with the ten criteria for significance described at 40 C.F.R. § 1508.27. In evaluating intensity for the May 2015 Lease Sale Project, the following criteria were considered:

1. Impacts may be both beneficial and adverse. The May 2015 Lease Sale Project would impact other resources as described in the EAs and the ROD/RMPs/FEISs. There are no potential environmental effects for the May 2015 Lease Sale Project that are considered to be significant, as defined by 40 C.F.R. § 1508.27, nor do any of the potential effects exceed those described in the ROD/RMP/FEISs.

Adequate mitigation measures, which include protective stipulations and lease notices, to reduce the potential impacts that future oil and gas operations on the lease parcels may have upon other natural resources and uses of the public lands have been applied to the lease parcels. The mitigation measures applied to the lease parcels were based upon the analyses and decisions identified through the ROD/RMPs/FEISs as well as the lease parcel review process for the May 2015 Lease Sale Project, which included the

⁶ The Council on Environmental Quality promulgated regulations (“CEQ regulations”), which have been codified at 40 C.F.R. §§ 1500 to 1508, for the purpose of implementing the National Environmental Policy Act.

preparation of the EAs. The environmental analyses discussed in the EAs indicate that adequate protections are included with the lease parcels in order to protect public health and safety and assure full compliance with the objectives of NEPA, and other federal laws and regulations intended for the protection of the human environment.

Before any surface disturbing operations may be authorized upon the lease parcels, additional and site-specific analysis in accordance with NEPA and further mitigation (if warranted and as is consistent with the standard lease terms and lease notices and stipulations attached to the lease parcels) to reduce impacts to the environment and other uses of the public lands will be required through the Application for Permit to Drill (“APD”) process.

Should all of the lease parcels be developed, they may contribute to local, regional and national energy supplies.

2. The degree to which the proposed action will affect public health or safety.

Leasing for oil and gas and the subsequent exploration and development is an on-going activity on the public lands. The standard lease terms, which are contained on the standard lease form (BLM Form 3100-11), the stipulations and lease notices attached to the lease parcels along with the additional NEPA analysis and potential protections/mitigation at the APD stage ensure that development of the lease parcels would occur in a way that protects public health and safety. For example, spill prevention plans would be required and any drilling operations would be conducted in accordance with the safety requirements of 43 C.F.R. Subpart 3160, the Federal Onshore Oil and Gas Orders (“Onshore Orders”), best management practices recommended by the American Petroleum Institute, and other industry requirements for the protection of worker safety and public health.

Environmentally responsible oil and gas operations, including those related to public health and safety, are discussed in the EAs. All operations, including well pad and road construction, water handling and plugging and abandonment, would be conducted in accordance with *The Gold Book: Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development* (United States Department of the Interior and United States Department of Agriculture, BLM, Denver, Colorado, 84 pp., 2007) (“the Gold Book”). The Gold Book provides operators with a combination of guidance and standard procedures for ensuring compliance with agency policies and operating requirements, such as those found in 43 C.F.R. Subpart 3160, the Onshore Orders and notices to lessees. Also included in the Gold Book are environmental best management practices; these measures are designed to provide for safe and efficient operations while minimizing undesirable impacts to the environment. For example, handling of produced water is addressed in Onshore Oil and Gas Order No. 7, which prescribes measures required for the protection of surface and ground water sources. During reclamation, if the fluids within a reserve pit have not evaporated within 90 days, the fluid would be pumped from the pit and disposed of in accordance with the applicable regulations.

3. Unique characteristics of the geographic area such as proximity to cultural resources and Traditional Cultural Properties, recreation, visual resources, vegetation, and wildlife. The specific resource values and land uses within the geographic areas potentially affected by the May 2015 Lease Sale Project have been

addressed in the ROD/RMPs/FEISs and the EAs. The BLM's consideration during the lease parcel review process and the coverage in the EAs regarding unique resource values and uses for the geographic areas potentially impacted by the May 2015 Lease Sale Project are summarized in this document in the response to criterion 7 below.

4. The degree to which the effects on the quality of the human environment are likely to be highly controversial. Scientific controversy over the nature of the impacts of the May 2015 Lease Sale Project does not exist. The oil and gas exploration and development that could follow leasing of the lease parcels is a common practice on public lands. The nature of the activities and the resultant impacts are understood and have been analyzed and disclosed to the public through existing BLM NEPA documents, which includes the EAs.

5. The degree to which the possible effects on the human environment are highly uncertain or involve unique or unknown risks. As stated above, leasing and the subsequent exploration and development of oil and gas resources is not unique or unusual. The BLM has experience implementing the oil and gas program, and the environmental effects to the human environment are adequately analyzed in existing NEPA documents, including the EAs. There are no predicted effects on the human environment that are considered to be highly uncertain or involve unique or unknown risks within the project area for the May 2015 Lease Sale Project.

6. The degree to which the action may establish a precedent for future actions with significant effects or represents a decision in principle about a future consideration. Reasonably foreseeable actions connected to the decision to lease the lease parcels have been considered. A lessee's right to explore and drill for oil and gas, at some location on a lease, subject to the standard lease terms and specific lease notices and stipulations attached to the lease, is a conspicuous aspect of lease issuance. A lessee must submit to the BLM an APD identifying the specific location and plans for use of the surface and the BLM must approve an APD before any surface disturbance, including drilling, may commence on a lease. The BLM's consideration of an APD will include site-specific environmental analysis and documentation in accordance with NEPA. If the BLM approves an APD, a lessee may produce oil and/or gas from the lease without additional approval so long as such production is consistent with the terms of the BLM-approved APD. During the lease parcel review process, the impacts that could result from leasing and the subsequent development of oil and/or gas resources from the lease parcels was considered by interdisciplinary teams of resource specialists from the Cedar City and Richfield FOs within the context of past, present, and reasonably foreseeable future actions and, as stated previously and below, significant impacts, including direct, indirect and cumulative impacts, to other resources and land uses are not predicted.

7. Whether the action is related to other actions with individually insignificant but cumulatively significant impacts – which include connected actions regardless of land ownership. During the lease parcel review process, interdisciplinary teams of resource specialists were assembled from staff within the Cedar City and Richfield FOs in order to evaluate the potential environmental impacts that could result from the May 2015 Lease Sale Project. Those interdisciplinary teams evaluated the potential environmental impacts of the May 2015 Lease Sale Project within the context of past, present and reasonably foreseeable future actions. The environmental analyses that the

interdisciplinary teams conducted and documented in the EAs do not predict significant direct, indirect or cumulative impacts to result from the implementation of the May 2015 Lease Sale Project.

A complete disclosure of the reasonably foreseeable direct, indirect and cumulative impacts predicted for the May 2015 Lease Sale Project, as considered by the interdisciplinary teams during the lease parcel review process, is provided in the EAs at Chapter 4 and Appendix C.

The following resources and uses were identified during the lease parcel review process as potentially impacted by the May 2015 Lease Sale Project: air quality, greenhouse gas emissions and socio-economics. With respect to those resources and uses that the BLM identified as potentially impacted by the May 2015 Lease Sale Project and for which detailed analysis and discussion was afforded in the EAs, the EAs indicate that none of those resources or uses would be impacted by the May 2015 Lease Sale Project to a degree that rises to the level of significance, as defined by 40 C.F.R. § 1508.27.

Moreover, through the lease parcel review process, the BLM has determined that the conditions for surface operations on the lease parcels, which are established by, among other things, 43 C.F.R. Subpart 3160, the Onshore Orders, the standard lease terms and the protective stipulations and lease notices that have been developed through the ROD/RMPs/FEISs and the May 2015 Lease Sale lease parcel review process and attached to the lease parcels, take in to account the reasonably foreseeable impacts to resource values and apply appropriate management constraints to adequately mitigate all potential impacts from the May 2015 Lease Sale Project to levels of non-significance. As such and as previously stated, the May 2015 Lease Sale Project is not anticipated to have a direct, indirect or cumulative impact on any resource or use of the public lands that rises to the level of significant, as defined by 40 C.F.R. § 1508.27.

8. The degree to which the action may adversely affect districts, sites, highways, structures, or other objects listed in or eligible for listing in the National Register of Historic Places or may cause loss or destruction of significant scientific, cultural, or historical resources. The May 2015 Lease Sale Project is not predicted to adversely affect districts, sites, highways, structures, or other objects that are listed or eligible for listing on the National Register of Historic Places (“National Register”), nor is it anticipated to cause the loss or destruction of significant scientific, cultural, or historical resources.

In order to identify and assess the potential impacts that the May 2015 Lease Sale Project might have on cultural resources, including historic properties that are listed or eligible for listing on the National Register pursuant to the National Historic Preservation Act (“NHPA”), 16 U.S.C. §§ 470 *et seq.*, the BLM reviewed and analyzed existing records for cultural resources within the areas of potential effects (“APE”) for the May 2015 Lease Sale Project. Based upon this cultural resources records review and analysis, which is referred to as “Class I” cultural resources inventory, the BLM determined that the issuance and subsequent development of the May 2015 Lease Sale Project lease parcels could occur without having significant adverse impacts upon cultural resource values. Moreover, with respect to those cultural resources eligible for protection under the NHPA in particular, in accordance with section 106 of the NHPA, 16 U.S.C. § 470f, and its

implementing regulations at 36 C.F.R. Part 800, the BLM has determined that the May 2015 Lease Sale Project will have “No Adverse Effect” on historic properties.

For the purposes of soliciting additional information and to request to consult regarding the presence of and potential impacts to cultural resources, including historic properties listed on or eligible for listing on the National Register, within the APE for the May 2015 Lease Sale Project, the BLM sent letters to the State of Utah’s State Historic Preservation Office (“SHPO”) and potentially interested Native American Tribes, which provided those parties with notice and the documentation supporting the BLM’s determination as to the potential impacts of the May 2015 Lease Sale Project on cultural resources.

On December 16 (Richfield FO lease parcels) and December 31 (Cedar City FO lease parcels), 2014, SHPO provided the BLM with written notification that it concurred with the BLM’s determination that the May 2015 Lease Sale Project would have “No Adverse Effect” on historic properties.

In addition to SHPO and potentially interested Tribes, the BLM also exchanged information and consulted with the Central Utah Archaeological Society and the Utah Rock Art Research Association in order to identify and assesses potential impacts to cultural resources values that could result from the May 2015 Lease Sale Project.

Additional information regarding the communications with SHPO, Native American Tribes, and other organizations that supported the BLM’s review and determinations as to the potential impacts of the May 2015 Lease Sale Project on cultural resources can be found in the EAs and in the administrative record compiled and maintained by the BLM Utah State Office for the May 2015 Lease Sale Project.⁷

9. The degree to which the action may adversely affect an endangered or threatened species or its habitat that has been determined to be critical under the Endangered Species Act of 1973, or the degree to which the action may adversely affect: 1) a proposed to be listed endangered or threatened species or its habitat, or 2) a species on BLM’s Sensitive Species list. As determined during the lease parcel review process and as documented in the EAs and the administrative record for the May 2015 Lease Sale Project, the May 2015 Lease Sale Project is not likely to adversely affect any species, or the critical habitat of any species, listed as threatened or endangered under the Endangered Species Act (hereafter “ESA”), 16 U.S.C. §§ 1531 *et seq.*, nor is the project likely to adversely affect any species, or the habitat of any species, that is proposed or a candidate for listing as threatened or endangered under the ESA. The May 2015 Lease Sale Project is also not predicted to have an adverse impact on any species listed on the BLM’s Sensitive Species list, including those species that are neither listed nor proposed/candidates for listing under the ESA. The rationale supporting the aforementioned determinations, which can be found in the EAs and the administrative record for the May 2015 Lease Sale Project, has been briefly summarized below.

In 2006, the BLM Utah and the United States Fish and Wildlife Service (hereafter “USFWS”) engaged in a statewide programmatic consultation for the BLM Utah’s oil and gas leasing program. This statewide consultation resulted in the development of specific oil and gas lease notices for individual ESA listed species. The BLM and

⁷ The administrative record for the May 2015 Lease Sale Project can be obtained by request to the BLM Utah State Office.

USFWS developed and agreed to the language for these lease notices with the intent that they would be applied in conjunction with the authority of the ESA and the standard lease terms (BLM Form 3100-11) for the management and protection of the species addressed by the notices in accordance with the ESA.

More recently, programmatic consultation between the BLM and the USFWS occurred as part of the processes to revise six land use plans, which included the Richfield FO ROD/RMP, in 2008. During these programmatic consultations, the lease notices that were originally developed in 2006 were revised and updated as determined appropriate.

The BLM has committed to attach the lease notices that it developed through the aforementioned programmatic consultations with the USFWS to the appropriate oil and gas leases at the time of issuance, which will serve to notify oil and gas lessees of the specific ESA protected species or habitat present or potentially present on the subject leased lands and the associated surface protection requirements that may be imposed pursuant to the ESA or other related laws, regulations or policies. These programmatically-developed lease notices were among the protective measures that were available, considered and attached to the lease parcels, as determined appropriate during the lease parcel review process for the May 2015 Lease Sale.

Additionally, pursuant to WO IM No. 2002-174, the following stipulation has been attached to all of the May 2015 Lease Sale Project lease parcels:

The lease may now and hereafter contain plants, animals, and their habitats determined to be threatened, endangered, or other special status species. BLM may recommend modifications to exploration and development proposals to further its conservation and management objectives to avoid BLM approved activity that will contribute to a need to list such a species or their habitat. BLM may require modification to or disapprove a proposed activity that is likely to result in jeopardy to the continued existence of a proposed or listed threatened or endangered species or result in the destruction or adverse modification of a designated or proposed critical habitat. BLM will not approve any ground-disturbing activity that may affect any such species or critical habitat until it completes its obligation under requirements of the Endangered Species Act, as amended, 16 U. S. C. § 1531 et seq., including completion of any required procedure for conference or consultation.

The BLM also coordinated with the USFWS and the Utah Division of Wildlife Resources (“UDWR”) during the lease parcel review process for the specific purpose of identifying and evaluating the potential impacts that the May 2015 Lease Sale Project might have on plant and animal species, including those species that have been listed as threatened or endangered under the ESA, species that are proposed or candidates for ESA protection and BLM Sensitive Species that are neither listed, proposed nor candidates for protection under the ESA. As a part of this coordination during the lease parcel review process, the BLM consulted with the USFWS in order to identify the presence or potential presence of ESA listed, proposed or candidate species and their habitat within the lease parcels and to make determinations as to which of the protective measures available, such as lease stipulations and notices, to attach to each of the lease parcels. The BLM also consulted with the USFWS and the UDWR regarding the adequacy of the protections afforded by the stipulations and lease notices available for attachment to the lease parcels.

Based upon the lease parcel review process, which included the aforementioned coordination and consultation with the USFWS and the UDWR, the BLM determined that the reasonably foreseeable impacts from the May 2015 Lease Sale Project to animal and plant species that have been listed as threatened or endangered under the ESA, animal and plant species that are candidates or proposed for listing under the ESA, as well as BLM Sensitive Species that are neither listed, proposed nor candidates for listing under the ESA, would either be completely avoided or reduced to insignificant levels by the protective measures that were attached to the lease parcels when they were offered for lease at the May 2015 Lease Sale.

The lease parcel review process, and the coordination and consultation with the USFWS during that process, provided the basis for the BLM's determination that the May 2015 Lease Sale Project "may affect, but not likely adversely affect" ESA listed species. On May 12, 2015, the BLM provided USFWS with a memorandum, which summarized the ESA informal section 7 consultation and conference that occurred between the BLM and the USFWS regarding the May 2015 Lease Sale Project. This memorandum also sought to conclude informal section 7 consultation for the May 2015 Lease Sale Project by requesting concurrence from the USFWS with respect to the BLM's determination that the May 2015 Lease Sale Project "may affect, but not likely to adversely affect" ESA listed species.

On May 29, 2015, the BLM received a memorandum from the USFWS wherein the USFWS concurred with the BLM's determination that the May 2015 Lease Sale Project "may affect, but not likely adversely affect" ESA listed species. With the written concurrence in the memorandum from the USFWS, informal section 7 consultation for the May 2015 Lease Sale Project was concluded in accordance with the ESA.

10. Whether the action threatens a violation of a federal, state, local, or tribal law, regulation or policy imposed for the protection of the environment, where non-federal requirements are consistent with federal requirements. The May 2015 Lease Sale Project is not predicted to violate any known federal, state, local or tribal law or any other requirement imposed for the protection of the environment. Potentially interested state, local, and tribal interests were given the opportunity to participate in the lease parcel review process.

Additionally, based upon the foreseeable level of emissions from the project and considerations of the locations of the lease parcels relative to population centers and "Class 1" areas, significant air resource impacts are not anticipated. Detailed analysis or modeling is not warranted.

The May 2015 Lease Sale was conducted in manner that is consistent with the applicable land use plans, laws, regulations and policies, many of which are described in sections 1.4 and 1.5 of the EAs. Additional consultation, coordination and environmental analysis will be required during the review and consideration for approval of any site-specific proposals for oil and gas exploration, drilling or development proposed on the May 2015 Lease Sale Project lease parcels.

/s/ Kent Hoffman

Authorized Officer

July 31, 2015

Date